

JUL 29 1992

Gentlemen:

We have considered your application for recognition of exemption from Federal income tax under section 501(c)(4) of the Internal Revenue Code.

The information submitted indicates that you were organized as an unincorporated association on [REDACTED]. Your stated purposes are to promote the interests and welfare of the health care industry in the state of [REDACTED], and to raise funds by any lawful means for this purpose, and from such funds to make contributions to those persons in political work without regard to party affiliation, who by their acts have demonstrated their interest in the health care industry, and to encourage other persons to enter into political work without regard to party affiliation, who by their acts, have demonstrated their interest in the health care industry, provided, however, that it is not within the purpose of this committee to support persons running for national office or running for office in any state other than [REDACTED]. You are organized and operated primarily for the purpose of directly or indirectly accepting contributions and making expenditures for an exempt function as defined in section 527 of the Internal Revenue Code.

You indicated that you are a political action committee and that your sole purpose is to raise funds and make political contributions with such funds.

Section 501(c)(4) of the Internal Revenue Code provides exemption for:

"Civic leagues or organizations not organized for profit but operated exclusively for the promotion of social welfare..."

Section 1.501(c)(4)-1(a)(2)(i) of the Income Tax Regulations provides that:

"An organization is operated exclusively for the promotion of social welfare if it is primarily engaged in promoting in some way the common good and general welfare of the people of the community. An organization embraced within this section is one which is operated primarily for the purpose of bringing about civic betterment and social

Code	Initiator	Reviewer	Reviewer	Reviewer	Reviewer	Reviewer	Reviewer
Surname							
Date			7/29/82				

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“(a)(2)(i) An organization is operated exclusively for the promotion of social welfare if it is primarily engaged in promoting in some way the common good and general welfare of the people of the community. An organization embraced within this section is one which is operated primarily for the purpose of bringing about civic betterments and social improvements *** The promotion of social welfare does not include direct or indirect participation or intervention in political campaigns on behalf of or in opposition to any candidate for public office. Nor is an organization operated primarily for the promotion of social welfare if its primary activity is operating a social club for the benefit, pleasure, or recreation of its members, or is carrying on a business with the general public in a manner similar to organizations which are operated for profit.***”

Based on the information submitted, it is held that you do not qualify for exemption from Federal income tax under section 501(c)(4) of the Code. Your sole purpose is to participate in political campaigns by providing funds to candidates of your choice. Section 1.501(c)(4)-1(a)(2)(i) of the Regulations provides that the promotion of social welfare does not include direct or indirect participation or intervention in political campaigns on behalf of or in opposition to any candidate for public office.

Since you are a political action committee, you should file an annual Federal income tax return on Form 1120 POL or 1120.

If you do not agree with these conclusions, you may, within 30 days from the date of this letter, file in duplicate a brief of the facts, law, and argument that clearly sets forth your position. If you desire an oral discussion of the issue, please indicate this in your protest. The enclosed Publication 892 gives instructions for filing a protest.

If you do not file a protest with this office within 30 days of the date of this report or letter, this proposed determination will become final.

If you agree with these conclusions or do not wish to file a written protest, please sign and return Form 6018 in the enclosed self-addressed envelope as soon as possible.

If you have any further questions, please contact the person whose name and telephone number are shown at the beginning of this letter.

Sincerely yours,

██████████
District Director

Enclosures:

Form 6018

Pub 892